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STPDTS

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SUBJECT: AMBASSADOR GOLDBERG'S AND PDAS SHAPIRO'S MEETING

WITH VICE PRESIDENT GARCIA LINERA

REF: LA PAZ 1862

Classified By: Ambassador Philip Goldberg for reasons 1.4 (b) and (d).

¶1. (C) SUMMARY: During a one-day visit to La Paz July 11, PDAS Charles Shapiro and Ambassador Goldberg met with Foreign Minister Choquehuanca and Vice President Alvaro Garcia Linera to review bilateral relations. Shapiro laid down a strong marker that better bilateral relations require rhetorical restraint from the GOB. Following on the heels of the Donna Dinh affair (Reftel), the meetings focused on fallout from that issue, the extension of ATPDEA, and narcotrafficing. Choquehuanca, implicitly recognizing that Dinh had committed no crime by bringing 500 rounds of sporting ammunition in her suitcase, offered to close the issue by having Dinh pay a small fine. Garcia Linera repeated this offer. Shapiro returned repeatedly to his central message, that the specific case of Donna Dinh was not the issue; at issue is the GOB,s continued failure to treat us as a friend, and not an adversary. End Summary.

ForMin on Dinh

- 12. (C) PDAS Shapiro and the Ambassador first met with the foreign minister, who was accompanied by his advisor, Ambassador Pablo Solon. Shapiro expressed his &concern8 with the GOB,s response to the Dinh ammunition incident, and the broader implications of this response. Minister Choquehuanca reiterated GOB concerns about the quantity of bullets and quoted form the note verbale the MFA had sent the embassy the previous week. Shapiro deferred to the Ambassador, who reviewed the facts, then moved to the larger issue of the bilateral relationship. &Countries need to be able to work out bilateral irritants8 argued Shapiro. &If we can't work together to address a case like this, how do we address the more complicated bilateral issues that inevitably arise in every relationship?8
- 13. (C) Choquehuanca argued that the Dinh case was a violation of Bolivian sovereignty, and demonstrated disrespect towards Bolivia. Shapiro returned to his theme of the need to work these problems out quietly, through diplomatic channels.

&Countries can only work together effectively if they treat each other with mutual respect,8 he argued. Moreover, these kinds of incidents happen every day around the world. "It was a mistake, nothing more." Choquehuanca emphasized that the GOB seeks good relations with the United States. In this regard, (and in an implicit recognition that Dinh violated no Bolivian law) Choquehuanca and Solon noted that the maximum possible legal penalty that could be levied against Dinh would be a small customs fine and said that once the fine is levied and paid, the GOB would consider the matter closed. The Ambassador reminded them that the GOB prosecutor had already determined that there was no case; this was an internal GOB problem, not a bilateral issue. As for an administrative fine, Ms. Dinh is a private citizen and we cannot speak for her, but we see no problem with the proposed course of action.

Vice President Garcia Linera

¶4. (C) Shapiro opened the meeting along the same line he took with the foreign minister. Garcia said the had been briefed by Choquehuanca and Solon on the previous meeting and was pleased that an acceptable solution seemed to be at hand. Shapiro said there will always be issues in bilateral relations; the key is working through these issues effectively. The Dinh affair was essentially an innocent mistake. GOB statements had compounded the issue, and turned it into a bilateral irritant. Friction is always present in bilateral relationships; successful management of the friction is the key to successful relationships. Noting that

this instance highlights a weakness in our relationship, Shapiro again noted that there will always be problems; the key is effective management. VP Garcia Linera acknowledged that Dinh had no ill intent, and lamented the damage the incident had caused to the relationship between our two countries. Garcia Linera said the GOB had closed the issue for now. In reference to President Morales, Garcia Linera warned he was unable to guarantee that others will not bring it up again in the months ahead.

ATPDEA

15. (C) The VP thanked the Ambassador and PDAS Shapiro for the extension, but noted the GOB would have preferred a longer term. Expressing the GOB's desire for a more long-term agreement, he said that the extension was a friendly and important gesture, but eight months leaves uncertainty. Shapiro responded the eight month extension required tremendous effort by USTR and was the longest possible for now; further extensions were not out of the question. The Ambassador explained that when negotiating a commercial agreement, we also need the appropriate political context with partner governments that show they are doing their part.

Counter-narcotics Certification

16. (C) The Ambassador and PDAS Shapiro expressed concern over the UN-reported Bolivian increases in coca cultivation. The Ambassador added that the USG was after net reduction, not just the eradication of 5,200 hectares. Shapiro noted different views in Washington regarding Bolivia's counter-narcotics certification. The VP responded that although cocaleros are making efforts to reduce coca production, they are seeing their incomes drop with eradication. He said that without providing them "complementary development," they will return to planting more coca. Shapiro responded that it was unlikely that the USG would make up economic activity. A/DCM Yates explained how USAID selects the geographic areas for its alternative development programs. The VP closed the meeting by saying

that GOB also wants net reduction and that the President believes they can get the number of hectares down to 20,000 without violence, but US assistance will be critical to achieve this.

Comment

17. (C) The GOB may finally be in the process of realizing just how much self-inflicted damage has been done by its mishandling of the Dinh affair, but Garcia Linera,s refusal to guarantee that President Morales will not revive the issue demonstrates once again that in instances of U.S.-GOB tension, the Bolivian President is oftentimes the least constructive GOB interlocutor. Still, it was clear from Shapiro,s meetings with both the vice president and with the foreign minister that the GOB would like to put this matter behind them. Whether the GOB has learned any lessons about diplomatic crisis management is another question, and given President Morales' instant accusations whenever the U.S. is involved, the answer is not necessarily hopeful. (Note: As of July 18 there has been no movement by the Bolivian prosecutor on the case.)

PDAS Shapiro had cleared this cable. GOLDBERG